



MEMORANDUM

DATE	July 5, 2023
TO	Veterinary Medical Board (Board)
FROM	Kim Phillips-Francis, Administration/Licensing Manager
SUBJECT	Agenda Item 15.A. Administration Report

Staff Update

On June 9, 2023, Tim Rodda, the Board’s Administration/Licensing Manager accepted a position with the California Architect’s Board.

On July 3, 2023, Kim Phillips-Francis accepted the Administration/Licensing Manager position vacated by Mr. Rodda. Ms. Phillips-Francis has been with the Board since February 2020, initially joining the Enforcement Unit as an Office Technician. Ms. Phillips-Francis was promoted to a Staff Services Analyst within Enforcement in September 2021 and promoted again to an Associate Governmental Program Analyst in November 2022 and became the Enforcement Lead of her team in May 2023. Prior to joining the Board, Ms. Phillips-Francis spent multiple years managing teams in the private sector for National Seating and Mobility.

On June 23, 2023, Marlene Gonzalez, the Board’s Veterinary Assistant Controlled Substances permit technician, accepted a promotional appointment with the Dental Board of California. The vacant position was posted upon notification of Ms. Gonzalez’s new appointment and will be filled as soon as possible.

The Board’s Organization Chart is attached for reference. The vacant AGPA position under Administration will not be filled at this time. In addition, Board management is working on reclassifying the vacant OT position under Administration to a manager specialist position. The recruitment process is underway to fill the other remaining vacancies.

Budget Projection Reports and Fund Condition

The Board’s Budget Analyst Veronica Hernandez will present the budget documents to the Board during the July 19-20, 2023 meeting.

Attached is the Budget Report Fiscal Year (FY) 2022-23 Expenditure Projection based on Fiscal Month (FM) 11. Based on these projections, the Board is on track to revert 5.84% of its budget (\$426,694) to the Board Fund.

As indicated in the chart below, the Board brought in more revenue than projected last fiscal year. The revenue built into the budget is based on staff analysis of workload and revenue data from prior fiscal years and projections aligning with data trends. At the end of each fiscal year, staff compares what was projected to what was brought in to see if adjustments need to be made for the next year.

Revenue Report
 FY 2022-2023
 Fiscal Month 11

Fiscal Code	Budget	YTD
Delinquent Fees	\$58,000	\$61,858
Other Regulatory Fees	\$79,000	\$124,319
Other Regulatory License and Permits	\$1,556,000	\$1,641,005
Other Revenue	\$101,000	\$126,494
Renewal Fees	\$5,811,000	\$5,951,344
Revenue	\$7,605,000	\$7,905,020

The attached Analysis of Board Fund Condition projects to have 12.2 months in reserve for FY 2022-23. This means the Board can continue to operate for 12.2 months without collecting additional revenue. The fund is projected to start decreasing beginning FY 2023-24. This projection represents a projected fiscal imbalance between income and expenditures. This imbalance occurs as expenditures continue to naturally increase, such as with rent and staff costs, while revenue stays the same.

Additional upcoming costs associated with the Board will be repayment of the general fund loan, AG and OAH costs. Currently, the fund condition will decrease to 8.9 months in reserve by FY 25-26. However, as a reminder, the fund condition is simply a snapshot in time and does not include any budget change proposals that may be approved in the future. Staff will maintain continue to monitor fund condition for changes and will advise when a fee change may be necessary.

Wellness Program

The Wellness Evaluation Committee (WEC) held a meeting on June 5, 2023. There are currently two participants in the program. The WEC meets every January/February, June, and October.

Attachments:

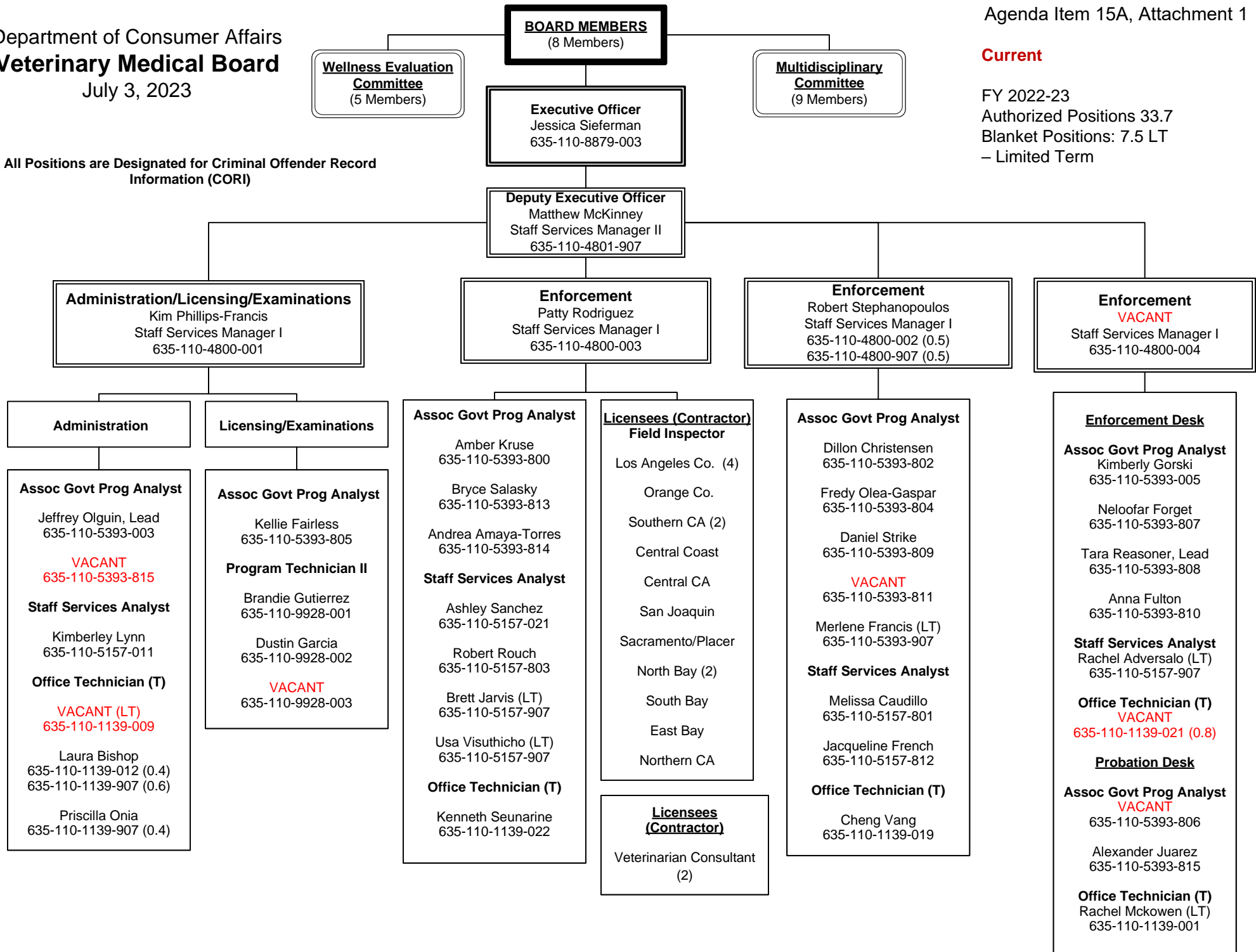
1. VMB Org Chart, Dated July 3, 2023
2. Budget Report FY 2022-23 Expenditure Projection FM 11
3. Analysis of Board Fund Condition, FY 2022-23

Department of Consumer Affairs
Veterinary Medical Board
 July 3, 2023

Current

FY 2022-23
 Authorized Positions 33.7
 Blanket Positions: 7.5 LT
 – Limited Term

All Positions are Designated for Criminal Offender Record Information (CORI)



Department of Consumer Affairs

Expenditure Projection Report

Veterinary Medical Board

Fiscal Month: 11

Fiscal Year: 2022 - 2023

PERSONAL SERVICES

Fiscal Code	Line Item	PY Budget	PY FM13	Budget	YTD + Encumbrance	Projections to Year End	Balance
5100	PERMANENT POSITIONS	\$2,209,000	\$2,006,309	\$2,335,000	\$2,040,567	\$2,230,459	\$104,541
5100	TEMPORARY POSITIONS	\$33,000	\$10,606	\$33,000	\$205,243	\$226,301	-\$193,301
5105-5108	PER DIEM, OVERTIME, & LUMP SUM	\$25,000	\$33,662	\$25,000	\$9,729	\$40,129	-\$15,129
5150	STAFF BENEFITS	\$1,374,000	\$1,168,518	\$1,527,000	\$1,373,146	\$1,502,126	\$24,874
	PERSONAL SERVICES	\$3,641,000	\$3,219,095	\$3,920,000	\$3,628,686	\$3,999,015	-\$79,015

OPERATING EXPENSES & EQUIPMENT

Fiscal Code	Line Item	PY Budget	PY FM13	Budget	YTD + Encumbrance	Projections to Year End	Balance
5301	GENERAL EXPENSE	\$83,000	\$24,074	\$87,000	\$17,904	\$25,763	\$61,237
5302	PRINTING	\$47,000	\$38,376	\$49,000	\$65,273	\$65,498	-\$16,498
5304	COMMUNICATIONS	\$40,000	\$3,314	\$42,000	\$4,693	\$5,631	\$36,369
5306	POSTAGE	\$37,000	\$10,580	\$38,000	\$14,840	\$16,290	\$21,710
5308	INSURANCE	\$0	\$58	\$0	\$46	\$60	-\$60
53202-204	IN STATE TRAVEL	\$180,000	\$887	\$183,000	\$6,878	\$12,000	\$171,000
5322	TRAINING	\$29,000	\$635	\$30,000	\$20,270	\$20,270	\$9,730
5324	FACILITIES	\$195,000	\$172,395	\$202,000	\$175,403	\$184,963	\$17,037
53402-53403	C/P SERVICES (INTERNAL)	\$1,066,000	\$683,625	\$1,066,000	\$629,001	\$751,778	\$314,222
5340310000	Legal - Attorney General	\$932,000	\$602,227	\$932,000	\$565,267	\$642,518	\$289,482
5340320000	Office of Adminis Hearings	\$134,000	\$81,181	\$134,000	\$63,368	\$108,694	\$25,306
53404-53405	C/P SERVICES (EXTERNAL)	\$341,000	\$467,695	\$408,000	\$545,762	\$587,347	-\$179,347
5342	DEPARTMENT PRORATA	\$1,233,000	\$1,168,595	\$1,169,000	\$1,169,000	\$1,169,000	\$0
5342	DEPARTMENTAL SERVICES	\$50,000	\$2,590	\$50,000	\$1,708	\$2,600	\$47,400
5344	CONSOLIDATED DATA CENTERS	\$46,000	\$0	\$50,000	\$21,214	\$21,214	\$28,786
5346	INFORMATION TECHNOLOGY	\$5,000	\$876	\$5,000	\$0	\$975	\$4,025
5362-5368	EQUIPMENT	\$38,000	\$38,365	\$10,000	\$12,511	\$21,901	-\$11,901
5390	OTHER ITEMS OF EXPENSE	\$3,000	\$0	\$3,000	\$0	\$0	\$3,000
54	SPECIAL ITEMS OF EXPENSE	\$0	\$1,012	\$0	\$202	\$1,000	-\$1,000
	OPERATING EXPENSES & EQUIPMENT	\$3,393,000	\$2,613,079	\$3,392,000	\$2,684,705	\$2,886,291	\$505,709

TOTAL EXPENDITURESS	\$7,034,000	\$5,832,173	\$7,312,000	\$6,313,391	\$6,885,306	\$426,694
REIMBURSEMENTS	-\$26,000	-\$209,978	-\$26,000	\$0	-\$26,000	\$0
TOTAL NET EXPENDITURES	\$7,008,000	\$5,622,195	\$7,286,000	\$6,313,391	\$6,859,306	\$426,694
						5.84%

0777 - Veterinary Medical Board Contingent Fund Analysis of Fund Condition
(Dollars in Thousands)
2023-24 Governor's Budget with FM 11 Projections

Prepared 6.27.2023

	ACTUAL 2021-22	CY 2022-23	BY 2023-24	BY +1 2024-25	BY +2 2025-26
BEGINNING BALANCE	\$ 5,032	\$ 6,914	\$ 8,103	\$ 7,874	\$ 7,125
Prior Year Adjustment	\$ 34	\$ 0	\$ 0	\$ 0	\$ 0
Adjusted Beginning Balance	\$ 5,066	\$ 6,914	\$ 8,103	\$ 7,874	\$ 7,125
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS					
Revenues					
4121200 - Delinquent fees	\$ 63	\$ 68	\$ 58	\$ 58	\$ 58
4127400 - Renewal fees	\$ 6,056	\$ 6,112	\$ 5,811	\$ 5,811	\$ 5,811
4129200 - Other regulatory fees	\$ 158	\$ 146	\$ 77	\$ 77	\$ 77
4129400 - Other regulatory licenses and permits	\$ 1,877	\$ 1,832	\$ 1,554	\$ 1,554	\$ 1,554
4163000 - Income from surplus money investments	\$ 26	\$ 118	\$ 97	\$ 108	\$ 94
4171400 - Escheat of unclaimed checks and warrants	\$ 5	\$ 8	\$ 0	\$ 0	\$ 0
4172500 - Miscellaneous revenues	\$ 0	\$ 1	\$ 0	\$ 0	\$ 0
Totals, Revenues	\$ 8,185	\$ 8,285	\$ 7,597	\$ 7,608	\$ 7,594
Transfers and loans to/from other funds					
Loans from the General Fund (0001) 1111-017-0001, Budget Act of 2021	\$ 0	\$ 157	\$ 149	\$ -159	\$ -150
Operating Transfers To General Fund 0001 per EO E 21/22-276 Revised (AB 84)	\$ -256	\$ 0	\$ 0	\$ 0	\$ 0
Totals, Transfers and Other Adjustments	\$ -256	\$ 157	\$ 149	\$ -159	\$ -150
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$ 7,929	\$ 8,442	\$ 7,746	\$ 7,449	\$ 7,444
TOTAL RESOURCES	\$ 12,995	\$ 15,356	\$ 15,849	\$ 15,323	\$ 14,569
Expenditures:					
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$ 5,622	\$ 6,666	\$ 7,432	\$ 7,655	\$ 7,885
9892 Supplemental Pension Payments (State Operations)	\$ 80	\$ 80	\$ 80	\$ 80	\$ 0
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 379	\$ 507	\$ 463	\$ 463	\$ 463
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$ 6,081	\$ 7,253	\$ 7,975	\$ 8,198	\$ 8,348
FUND BALANCE					
Reserve for economic uncertainties	\$ 6,914	\$ 8,103	\$ 7,874	\$ 7,125	\$ 6,221
Months in Reserve	11.4	12.2	11.5	10.2	8.9

NOTES:

1. Assumes workload and revenue projections are realized in BY +1 and ongoing.
2. Expenditure growth projected at 3% beginning BY +1.
3. Current Year 2022-23 Expenditures includes Scheduled and Unscheduled Reimbursements.